

A. STATE AGENCY LEASES MAY 12. 2010

La. R.S. 30:151 identifies the term "agency" as a levee district, drainage district, road district, school district, school board, or other board, commission, parish, municipality, state university, state college, state penal or charitable institution or agency, unit or institution of the state or subdivision thereof.

La. R.S. 30:155 provides that, if an agency doesn't want the Mineral and Energy Board to do its mineral leasing, it may do its own mineral leasing, the lease given must still be approved by the State Mineral and Energy Board under R.S. 30:158.

La. R.S. 30:156 provides that, if an agency wants to mineral lease its own property, it must follow the same leasing process as the State does, including advertising, sealed bids, etc.

La. R.S. 30:158 provides that, if a mineral lease given by an agency of its own property is not approved by the Mineral and Energy Board, it is an absolutely void lease.

Pursuant to the above statutory authority, listed below are leases given by state agencies and submitted for State Mineral and Energy Board approval. The staff examines the documents submitted to make sure that the agency follows all of the steps this office goes through in leasing State owned acreage and that the document has been properly notarized.

1. STATE AGENCY LEASE (A)

WEST BATON ROUGE, PARISH, LOUISIANA

An Oil, Gas and Mineral Lease from the West Baton Rouge Parish School Board, dated February 18, 2010, awarded to TMR Exploration, Inc., covering lands located in all of Section 16, Township 7 South, Range 11 East, West Baton Rouge Parish, Louisiana, containing 642.76 acres, more or less, with further contractual obligations being more enumerated in the instrument.

BIDDER AND LESSEE

BONUS

RENTAL

ROYALTIES

TERM

: TMR Exploration, Inc.

: \$128,552.00 (\$200.00/acre)

: \$128,552.00

: 25% on oil, gas and other minerals

: Three years

There was only one bid submitted. (Current rider attached)

La. R.S. 30:128 (A) provides that no transfer or assignment in relation to any lease of minerals or mineral rights owned by the state shall be valid unless approved by the State Mineral and Energy Board. Additionally, transfers or assignments shall not be granted to prospective leaseholders that are not currently registered with the office of mineral resources.

This sections deals with such transfers of interest in state mineral leases in the form of assignments of rights, subleases, and stipulations of interest. It also deals with transfers such as mergers or changes of names, which act as an assignment of interest to the newly named or emerging entity from a merger. Accompanying each of the items submitted in this section was an Ownership Transfer Form (formerly called a Form B) listing the pre-transfer ownership interest in the lease and the post-transfer ownership interest. Each document is carefully checked by the staff to ensure that the interest transfer figures are consistent, that our ownership records are complete and that all form requirements are met.

ASSIGNMENT

STATE LEASE NOS. 19731 and 19746, Iberia Parish, Louisiana

An Assignment from Newfield Exploration Company to Dynamic Offshore Resources, LLC, of all of Assignor's right, title and interest in and to State Lease Nos. 19731 and 19746, Iberia Parish, Louisiana, with further particulars being stipulated in the instrument.

<u>Dynamic Offshore Resources, LLC</u> is designated as the joint account Lessee (contact person) pursuant to State Mineral Board Resolution dated September 10, 1975.

ASSIGNMENT

STATE LEASE NO. 19732, Iberia Parish, Louisiana

An Assignment from Newfield Exploration Company to Dynamic Offshore Resources, LLC, an undivided 56.25% of 8/8ths right, title and interest in and to State Lease No. 19732, Iberia Parish, Louisiana, with further particulars being stipulated in the instrument.

<u>Dynamic Offshore Resources, LLC</u> is designated as the joint account Lessee (contact person) pursuant to State Mineral Board Resolution dated September 10, 1975.

ASSIGNMENT

STATE LEASE NO. 19732, Iberia Parish, Louisiana

An Assignment from Newfield Exploration Company to Dynamic Offshore Resources, LLC, an undivided 43.75% of 8/8ths right, title and interest in and to State Lease No. 19732, Iberia Parish, Louisiana, with further particulars being stipulated in the instrument.

<u>Dynamic Offshore Resources, LLC</u> is designated as the joint account Lessee (contact person) pursuant to State Mineral Board Resolution dated September 10, 1975.

4. ASSIGNMENT

STATE LEASE NOS. 20048, 20049 and 20110, East and West Baton Rouge Parishes, Louisiana

An Assignment from Maritech Resources, Inc. to LLOG Exploration Company, LLC, an undivided 50% interest in and to State Lease Nos. 20048, 20049 and 20110, East and West Baton Rouge Parishes, Louisiana, with further particulars being stipulated in the instrument.

<u>Maritech Resources, Inc.</u> is designated as the joint account Lessee (contact person) pursuant to State Mineral Board Resolution dated September 10, 1975.

5. ASSIGNMENT

STATE LEASE NOS. 16505 and 17221, Jefferson Davis Parish, Louisiana

An Assignment from Kerr-McGee Oil & Gas Onshore LP to Southern G Holdings, LLC, of all of Assignor's right, title and interest in and to State Lease Nos. 16505 and 17221, Jefferson Davis Parish, Louisiana, with further particulars being stipulated in the instrument.

<u>Crimson Exploration Operating, Inc.</u> is designated as the joint account Lessee (contact person) pursuant to State Mineral Board Resolution dated September 10, 1975.

6. MERGER

STATE LEASE NOS. 16505 and 17221, Jefferson Davis Parish, Louisiana

A Merger whereby Southern G Holdings, LLC is merging with and into Crimson Exploration Operating Inc., affecting State Lease Nos. 16505 and 17221, Jefferson Davis Parish, Louisiana, with further particulars being stipulated in the instrument.

7. ASSIGNMENT

STATE LEASE NO. 19961, Jefferson and Lafourche Parishes, Louisiana

An Assignment from New Holdings, L.L.C. to ConocoPhillips Company, of all of Assignor's right, title and interest in and to State Lease No. 19961, Jefferson and Lafourche Parishes, Louisiana, with further particulars being stipulated in the instrument.

<u>ConocoPhillips Company</u> is designated as the joint account Lessee (contact person) pursuant to State Mineral Board Resolution dated September 10, 1975.

8. ASSIGNMENT

STATE LEASE NO. 20055, Terrebonne Parish, Louisiana

An Assignment from New Holdings, L.L.C. to ConocoPhillips Company, of all of Assignor's right, title and interest in and to State Lease No. 20055, Terrebonne Parish, Louisiana, with further particulars being stipulated in the instrument.

<u>ConocoPhillips Company</u> is designated as the joint account Lessee (contact person) pursuant to State Mineral Board Resolution dated September 10, 1975.

ASSIGNMENT

STATE LEASE NO. 20234, Bienville Parish, Louisiana

An Assignment from Classic Petroleum, Inc. to Chesapeake Louisiana, L.P., of all of Assignor's right, title and interest in and to State Lease No. 20234, Bienville Parish, Louisiana, with further particulars being stipulated in the instrument.

<u>Classic Petroleum, Inc.</u> is designated as the joint account Lessee (contact person) pursuant to State Mineral Board Resolution dated September 10, 1975.

10. ASSIGNMENT

STATE LEASE NOS. 18423, 18521, 18524, 19031, 19190, 19192, 20086 and 20087, Cameron Parish, Louisiana

An Assignment from Madison, L.L.C. to Deep South Energy, Inc., a 1.000000% working interest in and to State Lease Nos. 18423, 18521, 18524, 19031, 19190, 19192, 20086 and 20087, Cameron Parish, Louisiana, with further particulars being stipulated in the instrument.

<u>Rozel Energy II, LLC</u> is designated as the joint account Lessee (contact person) pursuant to State Mineral Board Resolution dated September 10, 1975.

11. CHANGE OF NAME

STATE LEASE NO. 9680, St. Bernard Parish, Louisiana

A Change of Name whereby Beryl Oil & Gas, LP is changing its name to Bandon Oil and Gas, LP, affecting State Lease No. 9680, St. Bernard Parish, Louisiana, with further particulars being stipulated in the instrument.

12. ASSIGNMENT

STATE LEASE NO. 20235, Cameron Parish, Louisiana

An Assignment from Ric Bajon & Associates to Wilcox Operating Corporation, of all of Assignor's right, title and interest in and to State Lease No. 20235, Cameron Parish, Louisiana, with further particulars being stipulated in the instrument.

<u>Wilcox Operating Corporation</u> is designated as the joint account Lessee (contact person) pursuant to State Mineral Board Resolution dated September 10, 1975.

13. ASSIGNMENT

STATE LEASE NOS. 14157, 14158, 14310, 14311, 14571, 14572, 14792, 14793, 14796, 14851, 15067 and 16558, Terrebonne Parish, Louisiana

An Assignment from the Estate of William G. Helis, a partnership to Helis Oil & Gas Company, L.L.C., of all of Assignor's right, title and interest in and to State Lease Nos. 14157, 14158, 14310, 14311, 14571, 14572, 14792, 14793, 14796, 14851, 15067 and 16558, Terrebonne Parish, Louisiana, with further particulars being stipulated in the instrument.

<u>Helis Oil & Gas Company, L.L.C.</u> is designated as the joint account Lessee (contact person) pursuant to State Mineral Board Resolution dated September 10, 1975.

14. ASSIGNMENT

STATE LEASE NOS. 195, 2410 and Operating Agreement "A0045", Plaquemines Parish, Louisiana

An Assignment from Estate of William G. Helis, a partnership to Helis Oil & Gas Company, L.L.C., of all of Assignor's right, title and interest in and to State Lease Nos. 195, 2410 and Operating Agreement "A0045", Plaquemines Parish, Louisiana, with further particulars being stipulated in the instrument.

<u>Helis Oil & Gas Company, L.L.C.</u> is designated as the joint account Lessee (contact person) pursuant to State Mineral Board Resolution dated September 10, 1975.

15. ASSIGNMENT

STATE LEASE NOS. 11036 and 12721, Plaquemines Parish, Louisiana

An Assignment from Rafidi Oil & Gas, Inc. to Hilcorp Energy I, L.P., of all of Assignor's right, title and interest in and to State Lease Nos. 11036 and 12721, Plaquemines Parish, Louisiana, with further particulars being stipulated in the instrument.

<u>Hilcorp Energy I, LP</u> is designated as the joint account Lessee (contact person) pursuant to State Mineral Board Resolution dated September 10, 1975.

16. ASSIGNMENT

<u>STATE LEASE NOS. 1450,</u> <u>1451, 1480, 14284 and 14589,</u> Lafourche Parish, Louisiana

An Assignment from BASA Interest, Inc. to XPLOR Energy SPV-I, Inc., of all of Assignor's right, title and interest in and to State Lease Nos. 1450, 1451, 1480, 14284 and 14589, Lafourche Parish, Louisiana, with further particulars being stipulated in the instrument.

<u>XPLOR Energy SPV-I, Inc.</u> is designated as the joint account Lessee (contact person) pursuant to State Mineral Board Resolution dated September 10, 1975.

17. ASSIGNMENT

STATE LEASE NOS. 17767 and 17965, Plaquemines Parish, Louisiana

An Assignment from Andex Resources, L.L.C., of all of Assignor's right, title and interest to the following in the proportions set out below:

Century Exploration New Orleans, Inc.

57.142857%

PXP Louisiana L.L.C.

37.142857%

Continental Resources, Inc.

5.714286%

in and to State Lease Nos. 17767 and 17965, Plaquemines Parish, Louisiana, **INSOFAR AND ONLY INSOFAR AS** said leases cover and affect 356.01 acres of land being all that portion of the leases included within the boundaries of the BS 33 VUA, with further particulars being stipulated in the instrument.

<u>Century Exploration New Orleans, Inc.</u> is designated as the joint account Lessee (contact person) pursuant to State Mineral Board Resolution dated September 10, 1975.

18. ASSIGNMENT

STATE LEASE NO. 1480, Lafourche Parish, Louisiana

An Assignment from Goodrich Petroleum Company, L.L.C. to Hilcorp Energy I, L.P., an undivided 77.09818% of 8/8ths in and to State Lease No. 1480, Lafourche Parish, Louisiana, INSOFAR AND ONLY INSOFAR AS said lease lies within the surface boundaries of the MW- Goodrich-Exxon Lake Raccourci Voluntary Unit, AND INSOFAR AND ONLY INSOFAR AS to all depths from the surface to the base of the stratigraphic equivalent of the BOL. 6 Sand, with further particulars being stipulated in the instrument.

<u>Hilcorp Energy I, L.P.</u> is designated as the joint account Lessee (contact person) pursuant to State Mineral Board Resolution dated September 10, 1975.

19. SECOND CORRECTION OF ASSIGNMENT

STATE LEASE NO. 1480, Lafourche Parish, Louisiana

A Second Correction of that certain Assignment and Correction of Assignment, dated effective July 1, 2006, from Goodrich Petroleum Company, L.L.C. to Hilcorp Energy I, L.P., whereas said parties desire to correct the Assignment and Correction of Assignment to read the following..."INSOFAR AND ONLY INSOFAR AS said State Lease No. 1480 lies outside the surface boundaries of the MW-Goodrich-Exxon Lake Raccourci Voluntary Unit", affecting State Lease No. 1480, Lafourche Parish, Louisiana, with further particulars being stipulated in the instrument.

20. ASSIGNMENT

STATE LEASE NO. 13470, St. Mary Parish, Louisiana

An Assignment from Rockingham Exploration Co. to Energy XXI Onshore, LLC, of all of Assignor's right, title and interest in and to State Lease No. 13470, St. Mary Parish, Louisiana, with further particulars being stipulated in the instrument.

<u>Exxon Mobil Corporation</u> is designated as the joint account Lessee (contact person) pursuant to State Mineral Board Resolution dated September 10, 1975.

21. ASSIGNMENT

STATE LEASE NO. 13470, St. Mary Parish, Louisiana

An Assignment from NCNG Exploration Corp. to Energy XXI Onshore, LLC, of all of Assignor's right, title and interest in and to State Lease No. 13470, St. Mary Parish, Louisiana, with further particulars being stipulated in the instrument.

<u>Exxon Mobil Corporation</u> is designated as the joint account Lessee (contact person) pursuant to State Mineral Board Resolution dated September 10, 1975.

22. ASSIGNMENT

STATE LEASE NO. 13470, St. Mary Parish, Louisiana

An Assignment from Piedmont Exploration Co., Inc. to Energy XXI Onshore, LLC, of all of Assignor's right, title and interest in and to State Lease No. 13470, St. Mary Parish, Louisiana, with further particulars being stipulated in the instrument.

<u>Exxon Mobil Corporation</u> is designated as the joint account Lessee (contact person) pursuant to State Mineral Board Resolution dated September 10, 1975.

23. ASSIGNMENT

STATE LEASE NO. 340, St. Mary Parish, Louisiana

An Assignment from Castex Energy 2005, L.P. and Castex Energy 2008, L.P. to Phoenix Exploration Louisiana C LLC, an undivided 80% of 8/8ths interest in and to State Lease No. 340, St. Mary Parish, Louisiana, INSOFAR AND ONLY INSOFAR AS said Interest cover that portion of that certain 860 acre tract of the Belle Isle selection of State Lease #340, AND FURTHER LIMITED TO rights from the surface down to the stratigraphic equivalent of a depth of 14,766' MD, with further particulars being stipulated in the instrument.

<u>Castex Energy, Inc.</u> is designated as the joint account Lessee (contact person) pursuant to State Mineral Board Resolution dated September 10, 1975.

24. CORRECTION OF ASSIGNMENT

STATE LEASE NOS. 12457, 13287 and 15024, Plaquemines Parish, Louisiana

A Correction of that certain Assignment dated August 24, 2007, but effective April 1, 2007, from Pogo Producing Company to Nippon Oil Exploration U.S.A. Limited, whereas said parties desire to replace the two Exhibits "A" attached to the original Assignment with the Exhibit "A" attached hereto, affecting State Lease Nos. 12457, 13287 and 15024, Plaquemines Parish, Louisiana, with further particulars being stipulated in the instrument.

25. CORRECTION OF ASSIGNMENT

STATE LEASE NOS. 188, 2620 and 18295, Terrebonne Parish, Louisiana

A Correction of that certain Assignment, dated effective August 1, 2009, from Burlington Resources Oil & Gas Company LP to Hilcorp Energy I, L.P., whereas said parties desire to correct the Schedule 1 to Exhibit A as follows: The specification of 13,500′ TVD wherever appearing in the sentence commencing with the words "INSOFAR AND ONLY INSOFAR AS..." appearing on the first page of Schedule 1 to Exhibit A, "Lake Pelto Leases" (Shallow Rights), and also appearing on Page 11 of Schedule 1 Exhibit A, "Lake Pelto Leases" (Deep Rights) is hereby changed from 13,500′ TVD to the following: 15,000′ TVD, as to all lands that are covered and affected by State Lease No. 18295 AND 15,300′ TVD, but only as to those lands that are included within the exterior surface boundaries of Voluntary Unit A, and that are covered and affected by State Lease No. 188 and State Lease No. 2620, affecting State Lease Nos. 188, 2620 and 18295, Terrebonne Parish, Louisiana, with further particulars being stipulated in the instrument.

C. ADVERTISED PROPOSALS MAY 12, 2010

La. R.S. 30:129.1 provides that certain types of agreements entered into by the State with respect to its mineral leasing activity must be advertised within a specific time of the Mineral and Energy Board Meeting at which those agreements will be acted on.

These items are called advertised items. They consist of unitization agreements, lease amendments, gas production contracts, amendments, compromise agreements and other types of agreements. These items are checked by the staff to make sure that the contents of the agreement correctly reflect the understanding of all parties, that the form is authentic and properly notarized and that the items have met the statutory advertisement requirements.

1. UNITIZATION AGREEMENT (10-17)

STATE LEASE NOS. 19299, 19411, 19731 and 19746, Iberia Parish, Louisiana

A Unitization Agreement presented by Dynamic Offshore Resources, LLC, to create a 309.914 acre unit, more or less, identified as the "CIB OP G VUA", with 16.564 acres being attributable to State Lease No. 19299, 148.183 acres being attributable to State Lease No. 19411, 102.761 acres being attributable to State Lease No. 19731 and 42.406 acres being attributable to State Lease No. 19746, Iberia Parish, Louisiana, with further particulars being stipulated in the instrument.

2. UNITIZATION AGREEMENT (10-18)

STATE LEASE NOS. 19963 and 19964, Plaquemines Parish, Louisiana

A Unitization Agreement presented by Clayton Williams Energy, Inc., Phoenix Exploration Louisiana C LLC and Tauber Exploration Production Co., to create a 564 acres, more or less, identified as the "Voluntary Unit "A", with 506 acres being attributable to State Lease No. 19963 and 58 acres being attributable to State Lease No. 19964, Plaquemines Parish, Louisiana, with further particulars being stipulated in the instrument.

3. OPERATING AGREEMENT (10-19)

CAMERON PARISH, LOUISIANA

An Operating Agreement presented by Mack Energy Co., to create an operating tract for the exploration and development of oil, gas and/or condensate and other liquid hydrocarbons, which proposal allocates to the State a State Production Interest equal to 23% before payout, increasing to 23.5% after payout in and to the Operating Tract, whereas operator desires and intends to re-establish production in the Walker Louisiana Properties Corp No. 1 (SN 235862) Well, being the existing well for the 8400 RB SUA unit, in the Mallard Bay Field, containing 31.599 acres, more or less, covering a portion of former State Lease No. 18507, Cameron Parish, Louisiana, with further particulars being stipulated in the instrument.